

# A Fraternal Benefit Society for Christians

Thrivent's structure creates unique opportunities for you and the organization.

By Donna Hein

IF YOU HAD TO DESCRIBE THRIVENT TO SOMEONE, WHAT WOULD YOU SAY?

Maybe you'd tell them about the life insurance you purchased to protect your family or the retirement strategy you've built with a Thrivent Financial professional. Or you'd talk about the Thrivent Action Teams you've participated in and the educational workshops you've attended. Maybe you'd describe it as an organization for Christians.

But would you also mention that Thrivent is a fraternal benefit society?

You certainly could, and perhaps should. It's the first line in Thrivent's Articles of Incorporation, a document that dates back to 1902. But what does "fraternal benefit society" really mean, and what's the history behind it?

By definition, a fraternal benefit society is a not-for-profit organization that provides

insurance to its members *and* carries out social good for its members and the public. The activities are carried out through a system of local branches; Thrivent calls them Thrivent Member Networks.

Essentially, a fraternal benefit society combines the "member-owned" characteristic of a mutual insurance company with the "social mission" characteristic of a faith-based or service organization.

Fraternal benefit societies, unique to North America, actually started in the U.S. in the late 1800s to provide mutual aid to new Americans underserved by commercial insurance companies and united by a common bond. Typical common bonds included ethnicity, religion and occupation. Christianity is the common bond uniting today's Thrivent members.

As a member, the fraternal benefit society concept is important to know because it's the structure that gives Thrivent a truly distinctive place in the broad universe of financial services.

## 5 CHARACTERISTICS THAT SET THRIVENT APART

A fraternal benefit society has five distinctive characteristics that set it apart from other financial services organizations.

- 1 Fraternal purpose to serve members and society**  
Thrivent's fraternal purpose is to guide both to be wise with money and live generously.
- 2 Common bond that unites membership**  
Christianity is the common bond shared by Thrivent members.
- 3 Lodge system to gather members regionally**  
All Thrivent members are part of a regional Thrivent Member Network, which gives them access to charitable and educational programs.
- 4 Insurance benefits to protect members and their families**  
Thrivent offers life and disability income insurance, as well as a broad range of financial solutions, to help protect families.
- 5 Membership-owned structure**  
Thrivent is accountable to its member-owners—you—not third-party stockholders. This means you have a say in how Thrivent is run, and you share in Thrivent's success.

"No other company has the unique combination of being both a top-rated insurance organization and a mission-driven, not-for-profit organization," says Randy Boushek, Thrivent chief financial officer and treasurer.

To help you understand what that means, consider these facts:

- ▶ In 2017, Thrivent members volunteered 14.4 million hours to help their communities, and \$280 million in total outreach was generated by Thrivent and its members.<sup>1</sup>
- ▶ Also in 2017, 88,600 members led 124,000 Thrivent Action Teams, making a difference in their communities.<sup>1</sup>
- ▶ For more than 20 years, Thrivent has been one of the few insurance organizations that has earned the A++ Superior financial rating, the highest of 16 ratings from A.M. Best, an independent insurance ratings agency.<sup>2</sup>
- ▶ Thrivent is listed as No. 343 on the Fortune 500 list in June 2018.<sup>3</sup>

As a fraternal benefit society, Thrivent is not beholden to Wall Street, Boushek says, and that's an advantage. "We can do the right things to manage our business," he says. "We can manage it for the long term; we can hold a big rainy day fund. And when we're successful, it's shared with our members."<sup>4</sup> ■

<sup>1</sup> All numbers are for the year 2017 and as of Dec. 31, 2017.

<sup>2</sup> Ratings reflect Thrivent's overall strength and claims-paying ability but do not apply to the performance of investment products.

<sup>3</sup> Source: *Fortune* magazine.

<sup>4</sup> Not all members receive dividends, and dividends are not guaranteed.

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Thrivent member activities, such as Thrivent Action Teams, Thrivent Builds, and Thrivent Choice, engage Thrivent members and Thrivent Member Networks in charitable activities, furthering Thrivent's mission and its purposes under state law. You should never purchase or retain any insurance or annuity products simply to be able to participate. Participation is subject to applicable Terms and Conditions. Terms and conditions available at Thrivent.com.